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IMPLEMENTATION OF THE INTERNATIONAL COVENANT ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Second periodic reports submitted by States parties under articles 16 and 17 of the Covenant

Addendum

ICELAND* **

[10 January 1997]

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* The initial reports concerning rights covered by articles 6 to 15 (E/1990/5/Add.6 and Add.14) submitted by the Government of Iceland were considered by the Committee on Economic, Social and Cultural Rights at its ninth session in 1993 (see E/C.12/1993/SR.29, 30, 31 and 46).

** The information submitted by Iceland in accordance with the guidelines concerning the initial part of reports of States parties is contained in the core document (HRI/CORE/1/Add.26).

The appendices referred to in the report can be consulted at the Centre for Human Rights.

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I. GENERAL OBSERVATIONS

1. In the following a description will be presented of the most important laws enacted in the field of human rights since Iceland's initial report on the implementation of the International Covenant on Economic, Social and Cultural Rights was compiled in the autumn of 1992. As regards general information on Iceland and its people, Iceland's Constitution and administration, the power to resolve whether human rights have been violated, and the applicability of international human rights conventions under national law, a reference shall be made to the General Observations submitted in Iceland's initial report on the implementation of the Covenant as these aspects remain unchanged if no particular observations are made to the contrary herein.

2. The office of the Ombudsman for Children was established by Act No. 83/1994 and came into operation on 1 January 1995. Its aim is to provide for societal conditions more favourable for children; the Ombudsman is to safeguard the interests and rights of children and ensure that administrative authorities, individuals, societies and associations respect in full their rights, needs and interests. He is to make recommendations and proposals for amendments with respect to matters in any field of society that has a bearing on the interests of children. This entails, inter alia, promoting the observance of any international agreements containing provisions on the rights and welfare of children which Iceland has ratified, and promoting the ratification of such agreements. The Ombudsman for Children is an autonomous official and independent of other holders of administrative powers. He shall provide the Prime Minister with an annual report of his activities.

3. In June 1994 the Althing resolved that the human rights provisions of the Icelandic Constitution should be revised. The revision was to have been completed before the next regular elections in the spring of 1995. The parliamentary resolution stated that a revision of the Constitution's human rights provisions was now timely with a view to the international obligations undertaken by Iceland in becoming a party to international human rights agreements. Subsequently, a bill amending the human rights provisions in the Constitution, was adopted in 1995. The amendment provides extensive changes and additions to the human rights provisions presently in effect, which by now have become somewhat outdated in various ways, as they have remained almost totally unchanged since 1874. They have been subject to criticism both in domestic debate and on the international scene. The critics have chiefly maintained that the current human rights chapter of the Constitution lacks clear provisions on various fundamental human rights. The Statutory provisions guaranteeing these rights were thus deemed inadequate, as was the view that such rights were guaranteed by unwritten fundamental principles of law. The amendment to the Constitution, according to which various new rights were added to those already provided for and some of the old provisions rephrased in a much clearer way, is intended to redress this situation.

4. The new rights, according to the Amendment, to be included in the human rights chapter of the Constitution are the following, by reference to section numbers:

(a) A general principle of the equality of all men before the law (sect. 65, subsect. 1);

(b) Equal rights of men and women (Sect. 65, subsect. 2);

(c) A principle on freedom of movement and the right to choose a place of residence (sect. 66);

(d) A prohibition of torture, inhuman or degrading treatment or punishment (sect. 68, subsect. 1);

(e) A prohibition of forced labour (sect. 68, subsect. 2);

(f) A prohibition of retroactive criminal punishment and a prohibition of providing for the death penalty by law (sect. 69);

(g) Minimum requirements for fair trial in court procedures in civil and criminal litigation (sect. 70);

(h) A prohibition of compulsory membership in an association (sect, 74, subsect. 2);

(i) The duty of the State to provide children with special legal protection (sect. 76, subsect. 3);

(j) A prohibition of retroactive tax impositions (sect. 77).

5. It should be noted that until now Icelandic citizens have enjoyed all the above rights in fact, and most of them are already provided for by statutes or are regarded as unwritten but constitutionally protected legal principles. However, in the light of the importance of these rights, it was deemed safer to include them in the written Constitution.

6. Since the last report was compiled the European Convention on Human Rights has been incorporated into Icelandic law by Act No. 62/1994, and thus its provisions can be invoked in court as domestic legislation. At the present time no decision has been taken to incorporate other human rights instruments into domestic law. The constitutional amendments mentioned above reflect to a great extent the provisions of various international human rights instruments, both those prepared under the auspices of the United Nations and those having their origins in European cooperation.

7. It seems that public discussion on human rights and public interest in human rights have increased significantly in Iceland in the past few years. The resolution of the Althing of June 1994 and the amendment of the human rights provisions of the Constitution may be regarded as manifestations of this increased interest. The bill amending the human rights provisions in the Constitution was subject to a great public debate when it was introduced at the Althing, which led to some changes in its provisions before it was accepted. The growing public interest in matters concerning human rights can no doubt be traced, at least in part, to international involvement with matters relating to human rights in Iceland, and indications of where there may be scope for improvement. It may also be noted that a Human Rights Office

was established in Reykjavik in the spring of 1994, similar to those which have existed in the Scandinavian countries for some time. The parties which founded the Human Rights Office are the Icelandic section of Amnesty International, the International Save the Children Alliance, the Office of the Bishop of Iceland, the Icelandic Bar Association, Icelandic Church Aid, the Icelandic Red Cross, the Women's Rights Association of Iceland, the Equal Status Council, and UNIFEM Iceland. It may be assumed that the Human Rights Office will, among other things, concern itself with the success, or lack thereof, in implementing international human rights instruments in Iceland. Some educational and informational work in the field of human rights has already been undertaken by the Office, for the benefit of both lawyers and the public.

II. INFORMATION RELATING TO INDIVIDUAL PROVISIONS OF PARTS I, II AND III OF THE COVENANT

Article 1

8. A reference shall be made here to the discussion on article 1 in the initial report, as the points noted there remain unchanged in all the main aspects. It may, however, be added with respect to the discussion of the Treaty Establishing the European Economic Area (EEA) that the Treaty came into force in Iceland on 1 January 1994, and at the same time various legal amendments regulating the legal status of the inhabitants of the EEA in Iceland also came into force.

Article 2

9. From the time of Iceland's initial report various measures have been taken which reflect the principles of article 2 of the Covenant, particularly that of paragraph 2. Icelandic legislative practice shows an increasing tendency to introduce into acts of law applying in particular fields provisions prohibiting discrimination, and to redress the situation of persons who have had to endure discrimination in the past.

10. In section 11 of the new Act on Administrative Procedure of 1993 an important principle of equality has been enacted, intended to apply in the course of administrative procedure. The section prohibits discrimination on the basis of sex, race, colour, nationality, religion, political opinion, social or family status or other similar circumstances. Notwithstanding the fact that this principle was, before the Act entered into effect, considered to be one of the unwritten basic principles of administrative law, it was deemed necessary to enact an express provision to this effect.

11. It was mentioned in the General Observations that an amendment had been made to the human rights provisions of the Constitution. According to section 65 of the amended Constitution there is a general principle that all persons shall be equal before the law, irrespective of sex, religion, opinions, ethnic origin, race, colour, economic situation, family origin or other status. This principle is in many ways comparable to the equality principle of article 26 of the Covenant, and will be further described when that Article is discussed further. This constitutional provision is not

limited to equal enjoyment of rights guaranteed in human rights provisions providing for non-discrimination; it will apply to all legislation.

12. It may be noted on the occasion of the incorporation of the European Convention on Human Rights into Icelandic law by Act No. 62/1994, that its section 14 provides that the rights and freedoms set forth in the Convention shall be secured without discrimination on any ground, such as sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth or other status.

13. Despite the fact that international human rights agreements other than the European Convention do not have the force of domestic law in Iceland, they are often referred to in court. The courts construe and interpret the law in conformity with the international obligations assumed by Iceland by accession to international human rights instruments, and it is generally assumed that Icelandic legislation is in harmony with them.

Article 3

14. As mentioned above, the amendment to the human rights provisions in the Constitution provides for a special protection of equality between men and women. Section 65, subsection 2, of the amended Constitution stipulates that men and women have equal rights in all respects. This provision is intended to emphasize the principle of equality of men and women to a greater extent than can be deduced from the general principle of equality. As regards general legislation, no comprehensive changes have taken place in connection with matters relating to the equal status of men and women; consequently, a reference may be made in this respect to the discussion on article 3 in the initial report. In the spring of 1993 the Althing passed a resolution on a four-year action plan to ensure equal status of men and women, by which the Government was required, during the period 1992-1996, to undertake positive measures in the direction of attaining equal status. Supervision of these efforts has been entrusted to the Equal Status Council.

15. Notwithstanding the fact that the status of women has changed much for the better in the past few decades and that women now formally enjoy complete equality with men, equality in fact is still lacking in a number of areas. This applies primarily in the labour market; in spite of legal provisions on equal wages having been in effect for a long time and the status of women in that respect having greatly improved, it seems that full equality as regards wages has not yet been achieved. The following numerical information may be referred to in this context:

Hourly wages paid to women in Iceland in 1990-1993
expressed as a percentage of men's hourly wages

	Labourers	Shop assistants	Office workers
1990	92.6	73.9	72.0
1991	94.5	71.4	73.0
1992	93.7	70.7	74.6
1993	93.7	70.8	76.5

16. Despite the fact that female participation in industry has increased significantly in the past few decades, some jobs still remain predominantly male or female, and the general consensus is that traditional female jobs, for example the care of children or patients, provide less remuneration than jobs traditionally performed by men. A large majority of retail trade and service personnel are still women, but in these fields they are a small minority in management and specialist positions. The proportion of women on public committees, boards and councils has increased in the past few years, even though it is still far from even with the proportion of men. For example, the proportion of women on public committees and councils, having been approximately 15 per cent in 1990, was approximately 20 per cent in 1994. This proportion was slightly less than 10 per cent in 1987.

17. The Icelandic labour force was distributed as follows, by fields of industry in April 1994 (in per cent):

	Women	Men
Agriculture	4	5
Fishing	0	9
Manufacturing industry	14	20
- thereof, fish processing	7	6
Public utilities	1	1
Building construction	0	12
Retail trade and repair services	13	13
Hotels and restaurants	4	3
Transport and communications	5	8
Financial services	5	2
Real estate brokerage and misc. services	5	7
Public administration	5	5
Tuition	9	3
Public health and social services	28	5
Other social-related services and cultural activities	8	7

18. The composition of the Icelandic labour force, by occupation was in April 1994 as follows (in per cent):

	Women	Men
Officials and managers	5	12
Specialists	13	12
Technicians and specially trained staff	16	9
Office workers	17	3
Service personnel and retail trade assistants	25	10
Farmers and fishermen	3	11
Craftsmen	9	24
Mechanics and machine attendants	2	14
Non-skilled personnel	11	4

19. The Equal Status Complaints Committee was established by Act No. 28/1991 on the Equal Status of Men and Women. Its members, who all are lawyers, are appointed by the Minister of Social Affairs for a term of three years. Two of the members are nominated by the Supreme Court of Iceland, one of whom shall be the Chairman, and the third member is appointed without nomination. The role of the Committee is to receive indications concerning possible violations of the Equal Status Act, investigate such cases and forward the conclusions to the parties involved. The Committee may also, in some situations, take the initiative to make proposals on the implementation of the Act. Employers, public institutions, associations and other parties that may provide information on the facts of a case have the obligation to provide the Committee with any relevant information. When the conclusions of a case may be assumed to have the effects of laying down a policy for the labour market in its entirety the Complaints Committee shall seek the opinion of the trade union federations and their contracting partners. The conclusions of the Complaints Committee are not binding upon the parties. In cases where, in the view of the Committee, the provisions of the Act have been violated, a reasoned recommendation shall be sent to the parties. The Committee may, in consultation with a party, bring legal action in court, if an adversary does not heed the Committee's recommendation. In such a court action the Committee may request a declaration to the effect that a violation of the Equal Status Act has taken place. It may also request indemnification for financial and non-financial loss. The number of cases where a party requests the Committee to pursue a case against an employer has increased somewhat. Conciliation is attempted at first, but if this does not meet with success the case is committed to an independent professional lawyer.

20. As regards more detailed description and information on the status of equality between men and women in Iceland, reference is made to the discussion on article 7 below and to Iceland's initial report on the implementation of the International Convention on the Elimination of All Forms of Racial Discrimination.

Article 4

21. No changes have occurred, neither to Icelandic legislation or practice, that concern this provision of the Covenant, and no such changes are planned. A reference is therefore made to the discussion on article 4 in the initial report.

Article 5

22. Reference is made to the discussion on article 5 in Iceland's initial report; the principles described there on the interpretation of laws and international instruments remain unaltered.

Article 6

Principal legislation relating to the right to work

23. Since the Government's last report the following acts and regulations concerning the provisions of the article have been adopted:

The Unemployment Insurance Act, No. 93 of 1993

Act on the Equal Status and Equal Rights of Women and Men, No. 28 of 1991

The Vocational Training Act, No. 19 of 1992

Section XII of the Disabled Persons Act, No. 59 of 1992

Regulations No. 304 of 1994 on the conditions under which self-employed individuals may receive unemployment benefit

Regulations No. 243/1995 amending Regulations No. 150/1995 on the merging of Unemployment Benefit Award Committees

Act No. 51 of 1995 on payments from the Unemployment Insurance Fund to workers in the fish-processing industry

Regulations No. 318/1995 on payments from the Unemployment Insurance Fund to workers in the fish-processing industry

Regulations No. 299 of 1994 amending the Regulations No.129 of 1986 on Employment Exchanges

Act No. 112 of 1993 on economic measures in connection with wages and terms agreements

Foreigners´ Right to Work Act, No. 133 of 1994

Regulations No. 150/1995 on the merging of Unemployment Benefit Award Committees

Regulations No. 243/1995 amending Regulations No. 150/1995 on the merging of Unemployment Benefit Award Committees

Regulations No. 33/1995 on pension fund payments by the Wage Guarantee Fund in connection with insolvencies

The Act No. 144/1995 amending the Unemployment Insurance Act, No. 93/1993

Regulations No. 705/1995 on the granting of awards from the Unemployment Insurance Fund

The Act No. 75/1996 amending the Trade Unions and Industrial Disputes Act

Regulations No. 113/1996 on the granting of awards from the Unemployment Insurance Fund

The Act No. 90/1995 amending the Free Right to Employment and Residence (EEA) Act, No. 47/1993

Regulations on employment of the disabled, No. 376/1996.

International instruments

24. Iceland has ratified both ILO Convention No. 29 on Forced Labour and No. 105 on Abolition of Forced Labour and is a party to Convention No. 111 on Discrimination (Employment and Occupation) of 1958. In 1990 Convention No. 122 on Employment Policy of 1964 was ratified. Lastly it should be mentioned that Iceland is a State party to the Convention on the Elimination of All Forms of Discrimination against Women.

25. As regards the implementation of article 6 of the Covenant, reference is made to reports on the application of the above-mentioned conventions, especially reports on the application of Convention No. 122 for the periods ending 30 June 1993, 30 June 1995 and 30 June 1996.

Article 7

Principal legislation relating to the right to just and favourable conditions of work

26. Since the Government's initial report was written the following Acts and measures concerning the provisions of this article have been adopted: Act No. 69/1993 amending Act No. 55/1980 on Terms and Wages etc.; the Government's Four-Year Plan of Action on Gender Equality, for the years 1993-1997.

27. Following an obligation under article 67 of the Agreement on the European Economic Area the following regulations have been issued by the Ministry of Social Affairs on the basis of article 34 of the Working Environment, Health and Safety in the Workplace Act, No. 46 of 1980:

Regulations on permissible noise levels from pneumatic compressors, No. 324/1994

Regulations on permissible noise levels from mechanically driven electrical generators, No. 325/1994

Regulations on the limitation of noise emissions from hydraulic and cable-operated excavators, bulldozers, wheel- and belt-propelled shovels and tractor-mounted excavators, No. 326/1994

Regulations on permissible noise levels from lawn-mowers, No. 327/1994

Regulations on permissible noise levels from hand-held power tools for masonry-breaking and demolition, No. 328/1994

Regulations on methods of measuring noise emissions from machinery used out of doors, No. 329/1994

Regulations on permissible noise levels from construction cranes, No. 330/1994

Regulations on permissible noise levels from arc-welding equipment, No. 331/1994

Regulations on machinery and equipment on construction sites (common provisions), No. 496/1994

Regulations on noise restriction in places of work and the monitoring of the hearing of employees, No. 500/1994

Regulations on the use of personal protective equipment, No. 501/1994

Regulations on work at computer screens

Regulations on the certification and marking of steel cables, chains and hooks, No. 502/1994

Regulations on lifts and transport equipment (common provisions) No. 503/1994

Regulations on passenger lifts and lifts for passengers and goods, No. 504/1994

Regulations on forklift trucks and traction equipment, No. 562/1994

Regulations on registration, monitoring and inspection of lifts and lift equipment for the movement of passengers and goods, No. 54/1995.

28. In accordance with obligations under article 67 of the Agreement on the European Economic Area, the following regulations have been issued by the Ministry of Social Affairs under article 38 of the Working Environment, Health and Safety in the Work place Act, No. 46 of 1980:

Regulations on the spraying of gardens, No. 238/1994

Regulations on safety on health when handling burdens, No. 499/1994

Regulations on the design of personal protective equipment, No. 497/1994

Regulations on work at computer screens, No. 498/1994

Regulations on noise restriction in places of work and the monitoring of the hearing of employees, No. 500/1994

Regulations on machinery and equipment on construction sites, No. 496/1994

29. On the basis of article 43 of the Working Environment, Health and Safety in the Workplace Act, No. 46 of 1980, the Occupational Safety and Health Administration is drafting regulations on the minimum safety and health requirements for workplaces. This is being done in order to implement Council Directive 89/654/EEC.

International instruments

30. Iceland has ratified ILO Convention No. 100 on Equal Remuneration. In 1991 Convention No. 155 on Occupational Safety and Health of 1981, was ratified.

31. Concerning application of article 7 of the Covenant, reference is made to reports on the application of the above-mentioned conventions, especially reports on the application of Convention No. 100 for the periods ending 30 June 1993 and 30 June 1996.

Minimum remuneration

32. All workers in Iceland are covered by the terms of one or another collective agreement, if not directly as a member of the trade union in question, then through the provisions of Act No. 55/1980 on Terms and Wages etc. According to article 1 of the Act it is unlawful to hire a worker for less remuneration or on worse conditions than he would have been entitled to as a member of the respective trade union. This article was changed by article 5 of Act No. 69/1993 concerning legislative changes in connection with Iceland's ratification of the Agreement of the European Economic Area. Now the article reads as follows:

> "Wages and other terms which the main organizations of the social partners agree on by collective agreements shall be minimum wages and terms irrespective of sex, race, nationality or length of service, for all wage earners working in respective branch in the region in question which is covered by the agreement. Agreements made by individual workers and employers on less remuneration or worse conditions are null and void."

Inequality in remuneration for work of equal value

33. In the reports on the application of Conventions Nos. 100 and 111 the Government has reported on inequality between remuneration paid to men and women for work of equal value. In these same reports information has been given on various measures adopted in order to correct the situation. To illustrate this it can be mentioned that one of the provisions of the Government's Four-Year Plan of Action on Gender Equality for the years 1993-1997 states that the wages and terms of women and men in government institutions are to be investigated. The aim of the study was to throw light on the positions of the sexes on the labour market and to attempt to explain the basis on which decisions regarding wages are taken, what considerations determine the candidates chosen for posts and how the wage structure in the relevant institution/body are to be explained.

34. A working group was appointed to be in charge of the execution of the study. The group included specialists in the fields of statistics and wages. The working group recommended that a study should be made concerning the wages of men and women in four State bodies, and the University of Iceland's Social Science Institute was engaged to carry out the study. In a nutshell, it can be said that the findings of the study confirmed other comparable studies which have been carried out in recent years. The study reveals a considerable difference between the wages of men and women, whether net daytime wages, daytime wages plus supplements or parity wages are examined.

35. Women receive 78 per cent of men's net daytime wages, and when supplements are taken into account, they receive 70 per cent of men's wages. This ratio becomes even smaller when parity wages are taken as the reference for comparison, as women then come out with 68 per cent of men's wages. The findings of the study show that educational qualifications lead to higher wages for both women and men, but to greater increases for men. Thus, the wage differential does not disappear when qualifications are taken into account.

36. There is admittedly no difference between the wages of women and men who are without any educational qualifications above basic compulsory schooling, but there is a considerable difference between the wages of men and women who have completed senior school or university education. Women with secondary school education receive about 78 per cent of the wages (daytime wages plus supplements) of men with comparable educational qualifications, while women university graduates receive only 64 per cent of the wages of male graduates.

Promotion of an objective appraisal of jobs

37. In the light of the findings of the studies on wage structures and gender-related wage differentials, the Minister of Social Affairs appointed a working group to collect data and work on proposals for occupational assessments as a means of reducing the wage differential between the sexes. The group submitted its report on occupational assessments as a means of reducing the wage differential between the sexes in February 1996. The group also recommended that an experimental project be launched in which occupational assessment is applied in one or two State bodies, one private

company and one company/body under the auspices of Reykjavik City. The aim of the project would be to use a gender-neutral system of occupational assessment to rank jobs in relation to each other at each place of work.

Article 8

Principal legislation relating to trade union rights

38. Since the Government's last report the following acts and regulations concerning the provisions of the article have been adopted: Act No. 33 of 1944, as amended by Act No. 97/1995; Act No. 75/1996 amending the Trade Unions and Industrial Disputes Act No. 80/1938.

Amendments to the constitution made in 1995

39. As discussed above, various amendments were made to the Constitution of the Republic of Iceland in the spring of 1995. The most important changes have to do with human rights issues. Amongst these changes was that for the first time the negative right to organize became constitutionally recognized. The full effect of this change has perhaps not yet been realized, but already there are indications that this will lead to numerous other changes in Icelandic law and practice. However, the main purpose of this provision is to guarantee that no one shall be obliged by law to belong to an association. The membership of trade unions is addressed specifically in the comments and explanations that were put forward with the amendments. In these comments it is made clear that the trade unions are in no way supposed to be excluded from the effect of these changes. In various acts that have been passed since these amendments came into force, this has been evident. The trade union movement has also made radical changes in its internal regulations as a direct consequence of this.

40. The previous article 73 of the Constitution read as follows:

> "Societies may be formed for every lawful purpose without previous authorization. No society may be dissolved by act of Government, but it may be temporarily suspended, in which case an action for dissolution must immediately be brought."

41. The new article 74 of the Constitution reads as follows:

> "People shall have the right to form associations for any lawful purpose, including political groups and trade unions, without having to seek prior authorization. No association may be dissolved by order of the executive. The functions of an association may, however, be suspended pro tempore, in which case an action must be brought, without undue delay, for its disbandment.
>
> "No one shall be obliged to adhere to an association. Such an obligation may, however, be prescribed by law when necessary to enable an association to fulfil its lawful role in the public interest or to protect the rights of others.

"People shall have the right to assemble unarmed. The police may be present at public gatherings. Open-air meetings may be banned when it is feared that they may lead to rioting."

42. It is no exaggeration to say that a series of changes in the Icelandic legal situation has been triggered by these amendments and obviously more change will in the next few years stem from this, both in law and practice.

Amendments made to the Trade Unions and Industrial Disputes Act in May 1996 by Act No. 75/1996

43. Responding to advice and criticism raised by international bodies the Minister of Social Affairs appointed a working party on 4 October 1994 to conduct a comparative study of industrial relations in other countries. If found necessary the committee was requested to put forward proposals for amendments on the existing labour legislation. The following had representatives on the committee: the President and the legal consultant of the Icelandic Federation of Labour; the Chairman of the Federation of State and Municipal Employees; a representative of the Minister of Finance; the Chairman of the Association of Cooperative Employers; the Managing Director of the Confederation of Icelandic Employers. The group was chaired by a representative of the Minister of Social Affairs. They held 48 meetings.

44. The working party delivered a report to the Minister of Social Affairs in November 1995. Its main proposals were the following:

(a) To place more responsibility on the main organizations of employers and workers concerning the planning and running the negotiations on collective agreements;

(b) To minimize time spent on negotiations;

(c) To strive for the conclusion of the main collective agreements at the same time;

(d) To strengthen the role of the conciliation and mediation officer;

(e) To clarify the requisites for the submission of compromise proposals.

45. A bill concerning changes to the Trade Unions and Industrial Disputes Act was prepared by the Ministry of Social Affairs. This bill was based on the proposals of the working party and was adopted in May 1996 as an Act No. 75/1996. The fundamental legal conditions of trade unions and employers' federations in Iceland are laid down in the Trade Unions and Industrial Disputes Act. Amongst the changes was that the existence of and situation of non-unionized employees were better recognized and determined then before.

46. The term "work stoppage" was legalized for the first time. Previously it was generally believed among Icelandic labour law experts that in order to be able to refer to a work stoppage as a strike a union had to be involved in

the action; this, however, is not a prerequisite according to the new legalized term. In essence, this may mean that individuals now have the right to strike, but this has not yet been tried in practice.

47. The existence of so-called "closed shop" clauses in general agreements in Iceland is well known. These clauses are aimed at making employees almost compelled to be union members in order to be able to get employment. This was not based on any legal grounds or legal status of trade unions, but almost solely on clauses in collective agreements which have compelled employers to participate in the registration of members in the trade unions. This has been true for a large number of the trade unions in Iceland. The only known example of legalized compelling of employees to become members of a trade union is in fact the well-known taxicab services example which has now been abolished by Act No. 61/1995.

48. With changes to the internal regulations of the Icelandic Federation of Labour which were made in May 1996, the Federation decided that all closed-shop clauses were to be abolished from all wages and terms agreements made by trade unions within the Federation. This means that within the next year almost all such clauses will have to be abolished from Icelandic wages and terms agreements.

Article 9

Principal legislation relating to social security

49. A new Social Security Act came into force in Iceland on 1 January 1994, in connection with the Agreement on the EEA, which came into force the same day. The legislation is based on the main rule that everyone who has resided in the country for the last six months falls under the Social Security Act. The Act includes free hospital service, free health service during pregnancy and for infants and children under the age of six and for schoolchildren. It also provides that people are charged only a fixed fee for other health services, received either at health centres or from a specialist (ISK 200-1500). The Icelandic State Social Security Service also participates in the cost of medicines. The Act also secures a right to claim cash benefits in many fields, for example, for mothers during maternity leave (after 12 months' residence), for disabled people, children and the elderly. The six-month qualification period mentioned above does not apply, in general, to the members of EEA. On the Minister's behalf, a committee has been looking into practical problems regarding the "six-month waiting period", and it has recently been decided that refugees given asylum in Iceland should not be subject to the waiting period.

Changes made to the Unemployment Benefit Act

50. Since the Government's initial report a new Act No. 144/1995 amending the Unemployment Insurance Act, No. 93/1993, has been adopted. Attention is drawn to the fact that in 1993 the Althing passed Act No. 54 of 1993 amending the Unemployment Benefit Act No. 96 of 1990, with subsequent amendments. Article 1 of the Act now reads as follows:

"Wage-earners who become unemployed shall have the right to receive benefit from the Unemployment Benefit Fund according to the provisions of this Act.

"Self-employed individuals who have ceased their own business operations and are unemployed and are seeking employment, shall have the same right as wage-earners to receive benefit from the Unemployment Benefit Fund providing that they meet the requirements set by the Minister after receiving the comments of the board of the Unemployment Benefit Fund.

"The board of the Unemployment Benefit Fund shall grant trade unions membership of the fund in accordance with their applications for membership.

"This Act shall not cover those who are guaranteed the right to unemployment benefit by other statutes."

51. This means that non-unionized wage-earners now acquire the right to receive unemployment benefit from the Unemployment Benefit Fund.

The social security system: historical development 1/

52. Social protection in Iceland was first legislated for in 1890, with the introduction of a law on old age and invalidity pensions. For centuries before this date, general poor relief had been financed and administered locally. Between 1890 and 1925 a range of legislation was introduced to protect against old age, sickness and accidents. However, only certain categories of workers were covered and the level of support is generally considered to have been inadequate (Olafsson, 1991). In 1936, comprehensive social insurance laws were enacted under the Workers' General Insurance legislation. This reformed all the existing administrative framework and legislation: accident insurance was greatly improved; sickness funds were made compulsory for about half the nation; general old age and invalidity insurance was introduced; and the State Social Security Administration was established.

53. However, as in many other countries, the establishment of the contemporary welfare State in Iceland was a post-war phenomenon. The General Social Security Act of 1946 was modelled on Scandinavian legislation and the Beveridge plan, and the principle of universality was at its core. There have been two major periods of revision of the social security system since then. The first was in 1971 when the most significant change was the introduction of income-related supplements to the flat-rate basic pension. Income testing was extended in the 1993 reforms when the flat-rate component of the basic pension was abolished completely and replaced with a wholly income-related benefit.

1/ This section is based on: T. Eardley, et al., Social Assistance Schemes in the OECD Countries. Volume Two: Country Reports. London: HMSO, 1995

Structure and administration

54. Social security is currently governed by three acts: the Social Security Act 1993, the Social Assistance Act 1993 and the Local Authority Social Services Act 1991. The clearest divide within the Icelandic social security system is between insurance- and non-insurance-based benefits.

(a) Insurance-based benefits:

(i) Basic old-age pension is paid to persons 67 years of age or older. Since 1993 there is an income test attached to receipt of the pension;

(ii) Basic invalidity pension is paid to people between the ages of 16 and 67 whose working capacity is reduced by at least 75 per cent. This has also been income-tested since 1993;

(iii) Occupational injury insurance covers all employees. Self-employed persons are also insured unless they voluntarily choose to be exempted. Benefits are paid when an insured person is injured at work or while travelling to or from work. The insurance also covers occupational disease. Occupational injury insurance benefits are higher than general health and pension insurance benefits;

(iv) Health insurance is available to all residents of Iceland who have been domiciled in Iceland for at least six months. The insurance provides free hospital treatment. Insured persons pay a small fee for visits to family physicians, and a flat fee plus 40 per cent of the cost of specialist consultations. Health insurance pays in full or in part for many prescription medicines. Dental services, other than orthodontics, are covered in part or in full for children under the age of 17 and pensioners receiving income supplement (see below). The State Social Security Institute also subsidizes motor vehicles and aid apparatus for the disabled.

All of the above benefits are governed by the Social Security Act 1993, and are administered by the State Social Security Institute.

(v) Unemployment benefit. All employees, and since 1993 all self-employed persons, are entitled to unemployment benefits for up to 180 days during a 12-month period. Entitlement is conditional upon the worker having been in employment for at least 425 hours within the previous 12-month period, and the rate of benefit varies according to the number of hours employed during the previous 12-month period. A supplement is also available for each child under the age of 18. The Unemployment Fund administers unemployment benefit, while the Ministry of Social Affairs has overall responsibility;

(b) Non insurance-based benefits:

(i) Child support is paid for all children under 18 years of age, if either parent is deceased or receives invalidity pension;

(ii) Mothers on maternity leave are entitled to parental benefit for six months. The amount paid is based on the number of hours the mother has worked in the 12 months prior to the birth of a child. The benefit can be paid to the father instead of the mother after the first month, at the mother's request and based on the number of hours she worked. A male civil servant or male married to a woman civil servant is not entitled to a parental benefit.

The above benefits are administered by the State Social Security Institute under the Social Security Act 1993. They are not subject to an income test.

(iii) Motherhood and fatherhood allowances may be paid to single parents caring for children under 18 years of age. Payments are discontinued one year after the parent marries or registers in the National Register as cohabiting;

(iv) Child education support may be paid to a young person aged 18 to 20 who is a student or in vocational training, if either or both parents are deceased or are pensioners;

(v) Child-care payments. Parents or others taking care of disabled or ill children living at home or temporarily hospitalized may receive a grant or child-care benefit, based on the child's need for special care and expenses;

(vi) Death grant. Persons who lose their spouses before reaching the age of 67 are entitled to a monthly grant for six months (18 months if they are raising one or more children under the age of 18) following the spouse's death;

(vii) Widow's pension. When entitlement to a death grant has been exhausted, a widow (men are not included in this provision) is entitled to a widow's pension if she was aged at least 50 years at the time of her husband's death, or if the marriage lasted 20 years or more;

(viii) Rehabilitation pension may be paid for up to 12 months after sickness benefit has ceased, or until the degree of disability can be assessed.

The above benefits are administered by the State Social Security Institute under the Social Assistance Act 1993. They may be subject to an income test.

(c) Supplements to the basic pensions:

(i) Income supplement guarantees supplementation of the old-age and invalidity pension to pensioners with little or no income other than the basic pension. This benefit is administered by the State

Social Security Institute under the Social Security Act 1993. A single person who receives a full income supplement and lives alone without the financial support of others can be entitled to a household supplement;

(ii) A special household supplement can also be paid to single pensioners with little or no income other than the social security pension. Both the household supplement and the special household supplement are administered by the State Social Security Institute under the Social Assistance Act 1993;

(iii) A further supplement may be paid to old-age and invalidity pensioners if it is clear that they cannot support themselves without it, due to special circumstances, extra costs, etc.;

(d) **Financial assistance**. This is the main social assistance scheme in Iceland. It is administered at a local government level, and regulated by the Ministry of Social Affairs under the Local Authorities' Social Services Act 1991. Financial assistance is discussed in more detail below.

Finance and expenditure

55. Social security benefits in Iceland are financed largely through taxation. In 1992, 60 per cent of social security expenditure came from public authorities, of which 54 per cent came from central Government and 6 per cent from local government. A further 32 per cent came from employers' contributions, whilst insured persons contributions accounted for 8 per cent of expenditure. Social security expenditure as a proportion of GDP has increased gradually since 1972 when it stood at 10.7 per cent. By 1992 expenditure on social security represented 18.2 per cent of GDP (Hagstofa Islands, 1994).

56. It should be noted that in general the employer is responsible for payment of wages in case of the employee's sickness or injury. The amount and period under which salary is granted is decided by law and collective agreements. It is usually related to time of service but varies between different agreements.

57. Payments in case of sickness of civil servants are regulated in Regulations issued by the Ministry of Finance or the respective local authorities.

58. Most trade unions also administer supplementary health funds established by collective agreements. The health funds are financed by an employer's contribution which generally amounts to 1 per cent of the wages which all employers are obliged to pay according to law. The role of the fund is to assist employees during periods when they are unfit for work due to sickness or injury and do not receive payments from the employer. The funds pay supplementary daily allowances. This does not apply to civil servants.

59. Further information on the scope of social security in Iceland can be found in appended answers to questionnaires from the International Labour Office on Cost of Social Security during the years 1992 and 1993

(appendices 5 and 6). Detailed information on social security expenditure can also be found in appendix 7 which is a photocopy of tables 16.1 and 16.2 in the Statistical Abstract of Iceland 1994 issued by the Statistical Bureau of Iceland.

60. During the autumn of 1992 the Government sent the ILO the following report on the application of Convention No. 102:

"Report for the period ending 30th June, 1992, prepared by the Government of Iceland under Art. 22 of the Constitution of the International Labour Organization (ILO) on measures taken to give effect to the provisions of the Social Security (minimum standards) Convention, 1952 (No. 102), ratification of which was registered on 20th February 1961.

Direct Request 1992

Part VII. Family Benefits

In the comments of the ILO Committee of Independent Experts on Iceland's report on the implementation of International Convention No. 102, which covers the period ending 30th June 1991, the request is made that the Government of Iceland furnish the ILO with the current legislation and Regulations on Family Benefits, preferably in English.

Provisions on Family Benefits are to be found in Art. 69 of the Income and Property Tax Act, No. 75 of 1981, with subsequent amendments. The most recent amendment to this Act, concerning Art. 69, was made by the Income and Property Tax Act No. 85 of 1991, which amended the Income and Property Tax Act No. 75 of 1981, with subsequent amendments. The Act has not been translated into English. The Icelandic text of the Act is therefore being submitted (See Appendix III). The relevant provisions, i.e. sections A, B and C of Art. 69 of the Act No. 75 of 1981, and Art. 12 of the Act No. 85 of 1991, have been translated into English and are submitted herewith (See appendices I and II).

The following is a brief summary of our current system of Family Benefits.

FAMILY BENEFITS

Married persons are regarded as individuals for tax purposes, their income tax and property tax being assessed separately. A child under 16 years of age during the tax year is not considered an independent taxpayer if he or she is being supported by his or her parents.

Tax legislation contains several provisions which might be regarded as concerning Family Benefits, i.e. Child Benefit, Child Benefit Supplement and Interest Rebate. The following figures refer to the latter part of 1992.

I. Child Benefit and Child Benefit Supplement:

According to the Income and Property Tax Act, No. 75 of 1981, with subsequent amendments. The State Treasury shall pay Child Benefit for each child under 16 years of age domiciled in Iceland and supported by a party or

parties who are liable for tax. The general rule of the tax laws is that Child Benefits for single parents are always at least twice as high as those for a couple living together.

The provisions on Child Benefit were amended by the Act No. 85 of 1991 to the effect that higher benefits are paid to single parents for children after the first child, and there is an additional payment if such children are under 7 years of age. This additional payment is always granted to a couple living together if the child in question is under seven years of age. There is also a provision on minimum benefits for single parents: if the double-amount provision results in lower benefits than this minimum, then minimum benefits shall be paid.

	Married or Common-law couple ISK	Single Parents ISK
1. Child Benefit per child:		
Basic amount per month	743	
Minimum amount per month		5 581
For children after the first child	2 305	
For first child under 7	2 418	
2. Child Benefit Supplement:		
Maximum benefit per child per month	7 469	7 469
Income threshold	91 500	61 000
Property threshold per year	7 800 000	5 890 000

Child Benefit Supplement is taxable while Child Benefit is not. Full Child Benefit Supplement is not dependent on the marital status of the parents. However, income and personal property thresholds vary according to marital status. Thus, full Child Benefit Supplement is granted to couples with an income of ISK 91,500 or less, and ceases to apply when income reaches ISK 198,000; for single parents, full Child Benefit Supplement applies within the income limit ISK 61,000, and ceases to apply when income reaches ISK 168,200.

Reference is made to the tables 1, 2 and 3 showing the various income limits and different numbers of children.

The figures in the tables may be somewhat lower than specified above.

Table 1

Payment of child benefits, child benefit supplement and maternity subsidy*

Number of children	Younger than 7 years old	Older than 7 years old	General children's benefits		Child benefits and child benefits supplement		Total child benefits and maternity subsidy	
			Married or common-law couple	Single parents	Married or common-law couple	Single parents	Married or common-law couple	Single parents
1	1	0	3 150	5 560	10 591	13 001	10 591	17 732
1	0	1	741	5 560	8 181	13 001	8 181	17 732
2	2	0	7 857	13 882	22 738	28 762	22 738	41 161
2	1	1	5 447	13 882	20 328	28 762	20 328	41 161
2	0	2	3 038	11 472	17 918	26 353	17 918	38 751
3	3	0	12 564	22 203	34 885	44 524	34 885	66 515
3	2	1	10 154	22 203	32 475	44 524	32 475	66 515
3	1	2	7 744	19 749	30 065	42 115	30 065	64 105
3	0	3	5 335	17 384	27 656	39 705	27 656	61 695
4	4	0	17 271	30 525	47 032	60 286	47 032	82 277
4	3	1	14 861	30 525	44 622	60 286	44 622	82 277
4	2	2	12 451	28 115	42 212	57 876	42 212	79 867
4	1	3	10 041	25 705	39 038	55 476	39 803	77 457
4	0	4	7 632	23 296	37 393	53 057	37 393	75 047
5	5	0	21 977	38 846	59 179	76 048	59 179	98 039
5	4	1	19 568	38 846	56 769	76 048	56 769	98 039
5	3	2	17 158	36 437	54 359	73 638	54 359	95 629
5	2	3	14 748	34 027	51 950	71 228	51 950	93 219
5	1	4	12 338	31 617	49 540	68 819	49 540	90 809
5	0	5	9 929	29 207	47 130	66 409	47 130	88 400
6	6	0	26 684	47 168	71 326	91 810	71 326	113 800
6	5	1	24 274	47 168	68 916	91 810	68 916	113 800
6	4	2	21 865	44 758	66 507	89 400	66 507	111 391
6	3	3	19 455	42 348	64 097	86 990	64 097	108 981
6	2	4	19 045	39 939	61 687	84 581	61 687	106 571
6	1	5	14 635	37 529	59 227	82 171	59 277	104 161
6	0	6	12 226	35 119	56 868	79 761	56 868	101 752

* Monthly income:
Married or Common-law couple under ISK 92,000.
Single parents under ISK 61,000.

Table 2

Payment of child benefits, child benefit supplement and maternity subsidy*

Number of children	Younger than 7 years old	Older than 7 years old	General children's benefits		Child benefits and child benefits supplement		Total child benefits and maternity subsidy	
			Married or common-law couple	Single parents	Married or common-law couple	Single parents	Married or common-law couple	Single parents
1	1	0	3 150	5 560	3 150	10 971	3 150	15 702
1	0	1	741	5 560	741	10 971	741	15 702
2	2	0	7 857	13 882	8 787	24 992	8 787	37 391
2	1	1	5 447	13 882	6 378	24 992	6 378	37 391
2	0	2	3 038	11 472	3 968	22 583	3 968	34 981
3	3	0	12 564	22 203	15 509	39 304	15 509	61 295
3	2	1	10 154	22 203	13 100	39 304	13 100	61 295
3	1	2	7 744	19 749	10 690	36 895	10 690	58 885
3	0	3	5 335	17 384	8 280	34 485	8 280	56 475
4	4	0	17 271	30 525	23 317	53 906	23 317	75 897
4	3	1	14 861	30 525	20 907	53 906	20 907	75 897
4	2	2	12 451	28 115	18 497	51 496	18 497	73 487
4	1	3	10 041	25 705	16 087	49 087	16 087	71 077
4	0	4	7 632	23 296	13 678	46 677	13 678	68 667
5	5	0	21 977	38 846	13 124	68 508	31 124	90 499
5	4	1	19 568	38 846	28 714	68 508	28 714	90 499
5	3	2	17 158	36 437	26 304	66 098	26 304	88 089
5	2	3	14 748	34 027	23 894	63 688	23 894	85 679
5	1	4	12 338	31 617	21 485	61 279	21 485	83 269
5	0	5	9 929	29 207	19 075	58 869	19 075	80 860
6	6	0	26 684	47 168	38 931	83 110	38 931	105 100
6	5	1	24 274	47 168	36 521	83 110	36 521	105 100
6	4	2	21 865	44 758	34 111	80 700	34 111	102 691
6	3	3	19 455	42 348	31 701	78 290	31 701	100 281
6	2	4	17 045	39 939	29 292	75 881	29 292	96 871
6	1	5	14 635	37 529	26 882	73 471	26 882	95 461
6	0	6	12 226	35 119	24 472	71 061	24 472	93 052

* Monthly income:
Married or Common-law couple ISK 200,000.
Single parents ISK 90,000.

Table 3

Payment of child benefits, child benefit supplement and maternity subsidy*

Number of children	Younger than 7 years old	Older than 7 years old	General children's benefits		Child benefits and child benefits supplement		Total child benefits and maternity subsidy	
			Married or common-law couple	Single parents	Married or common-law couple	Single parents	Married or common-law couple	Single parents
1	1	0	3 150	5 560	6 496	6 771	6 496	11 502
1	0	1	741	5 560	4 086	6 771	4 086	11 502
2	2	0	7 857	13 882	15 133	17 129	15 133	29 591
2	1	1	5 447	13 882	12 723	17 129	12 723	29 591
2	0	2	3 038	11 472	10 313	14 783	10 313	27 181
3	3	0	12 564	22 203	24 355	28 504	24 355	50 495
3	2	1	10 154	22 203	21 945	28 504	21 945	50 495
3	1	2	7 744	19 749	19 535	26 095	19 535	48 085
3	0	3	5 335	17 384	17 126	23 685	17 126	45 675
4	4	0	17 271	30 525	34 162	40 706	34 162	62 697
4	3	1	14 861	30 525	31 752	40 706	31 752	62 697
4	2	2	12 451	28 115	29 342	38 296	29 342	60 287
4	1	3	10 041	25 705	26 933	35 887	26 933	57 877
4	0	4	7 632	23 296	24 523	33 477	24 523	55 467
5	5	0	21 977	38 846	43 969	52 908	43 969	74 899
5	4	1	19 568	38 846	41 559	52 908	41 559	74 899
5	3	2	17 158	36 437	39 149	50 498	39 149	72 489
5	2	3	14 748	34 027	36 740	48 088	36 740	70 079
5	1	4	12 338	31 617	34 330	45 679	34 330	67 669
5	0	5	9 929	29 207	31 920	43 269	31 920	65 260
6	6	0	26 684	47 168	53 776	65 110	53 776	87 100
6	5	1	24 274	47 168	51 366	65 110	51 366	87 100
6	4	2	21 865	44 758	48 975	62 700	48 957	84 691
6	3	3	19 455	42 348	46 547	60 290	46 547	82 281
6	2	4	17 045	39 939	44 137	57 881	44 137	79 871
6	1	5	14 635	37 529	41 727	55 471	41 727	77 461
6	0	6	12 226	35 119	39 318	53 061	39 318	75 052

* Monthly income:
Married or Common-law couple over ISK 150,000.
Single parents ISK 150,000.

II. Interest Rebate

When determining the amount of Interest Rebate, marital status, the amount of interest paid by the taxpayer in question and his ownership of property are taken into account.

	Married or Common-law couple ISK	Single Parents ISK
Maximum benefit	200,760	161,612
Maximum interest paid	712,000	575,000"

Article 10

Principal legislation relating to family matters

61. Since the Government's last report the following Acts and regulations concerning the provisions of the article have been adopted:

(a) The Local Authorities' Social Services Act, No. 40 of 1991

- Regulations on the Day Care of Children in Private Houses, No. 198 of 1992;

(b) The Children's Act, No. 20 of 1992

- Regulations, No. 231 of 1992, on Administrative Procedures in Cases under the Children's Act;

(c) The Protection of Children and Young Persons Act, No. 58 of 1992

- Regulations on the State Institution for Maladjusted Youth, No. 15 of 1993

- Regulations on Children's Summer Hostels and Summer Camps, No. 160 of 1993

- Regulations on Therapeutic Supervisors, Personal Counsellors and Supportive Families, No. 452 of 1993

- Regulations on the Working Procedures of the Icelandic Child Welfare Council, No. 49 of 1994;

(d) The Children's Ombudsman Act, No. 83 of 1994.

Financial assistance by the local authorities

62. In its report XIII-1 the Committee of Independent Experts indicated that it wanted to receive further information on the Regulations regarding the grant of financial assistance by the local authorities.

63. It should be noted in this context that according to the Local Authorities' Social Services Act, a municipality shall ensure that its inhabitants can provide for themselves and their dependants. Section 12 specifies that financial assistance shall be provided to the extent necessary, and according to section 21 the municipal government shall issue rules on how such assistance shall be effected. The Ministry of Social Affairs has issued guidelines on how such assistance is best effected. These will be briefly explained in the following paragraphs.

64. Qualifications for financial assistance. Financial assistance shall be granted to individuals and families under the following circumstances:

(a) When the income of an individual or a family is insufficient to support them;

(b) In order to prevent the situation of an individual or a family from deteriorating to such an extent that their support is placed in jeopardy;

(c) By way of assistance while an individual or a family is in the process of overcoming particular difficulties, if such assistance does not come within the sphere of the duties of any other party;

(d) Where laws provide for measures involving financial outlays, for example the provisions of Act No. 58/1992 on Protection of Children and Adolescent Persons, such as support and other costs arising from a foster arrangement (sect. 32); support to parents for legal fees in connection with issues subject to administrative decision (sect. 46); and costs of various support measures (sect. 21).

65. The possibilities for assistance of a non-financial nature shall generally have been exhausted, and financial assistance shall only be granted in conjunction with other measures available to the Social Affairs Committees, such as direction and counsel.

66. Cost of support and assessment of need. The guidelines of the Social Security Institution are used as a reference standard. Financial assistance is calculated in two stages: basic financial assistance and assessment of support.

67. Basic financial assistance. Minimum financial assistance is to be paid to each individual. The amount in question is the amount which a disabled person living alone would receive from the Social Security Institution, i.e. full income guarantee (ISK 23,320), basic support (ISK 12,329), and home supplement (ISK 7,711), in total a basic financial assistance of ISK 43,360. This amount is meant to cover an individual's minimum outlays, food, clothing, minimum rent, etc. This minimum amount increases as a family increases in size.

68. Assessment of support. Other costs incurred by an individual or a family may be taken into account. An assessment of support may, among other things, take into account if rent is higher than a specified minimum, or if there is significant cost of day-care for children, removal, childbirth, confirmation, burial, etc.

69. Calculation of financial need. An applicant's need for financial assistance is calculated by finding out what amounts he has available. This is subtracted from the cost of his maintenance. This is done on certain forms designed for the purpose in accordance with the guidelines issued by the Ministry of Social Affairs. It is recommended that the relevant municipality pay at least the difference between the available funds and the basic financial need. The term "available funds" of an individual or a family refers, inter alia, to the following income and benefits:

(a) The wages of an applicant and his/her spouse, less State and municipal taxes;

(b) Any benefits from the Social Security Institution, except children's disability benefits;

(c) Support payments for children;

(d) Unemployment benefits;

(e) Children's benefits and supplementary children's benefits;

(f) Refunds of overpaid taxes;

(g) Pension payments;

(h) Interest benefits (because of payments of interests in the housing credit system).

Changes made to the Unemployment Benefit Act

70. Attention is drawn to the fact that in 1993 the Althing passed Act No. 54 of 1993 amending the Unemployment Benefit Act No. 96 of 1990, with subsequent amendments. According to the Act Article 1 now reads as follows:

> "Wage-earners who become unemployed shall have the right to receive benefit from the Unemployment Benefit Fund according to the provisions of this Act.
>
> "Self-employed individuals who have ceased their own business operations and are unemployed and are seeking employment, shall have the same right as wage-earners to receive benefit from the Unemployment Benefit Fund providing that they meet the requirements set by the Minister after receiving the comments of the board of the Unemployment Benefit Fund.
>
> "The board of the Unemployment Benefit Fund shall grant trade unions membership of the fund in accordance with their applications for membership. This Act shall not cover those who are guaranteed the right to unemployment benefit by other statutes."

This means that non-unionized wage earners now acquire the right to receive unemployment benefit from the Unemployment Benefit Fund.

Maternity leave

71. On behalf of the Ministry of Health and Social Security, a committee working on new legislation concerning maternity leave has presented its ideas on changes to the rules in this field. Maternity leave, which includes benefits for every woman whether she is on the labour market or not, now covers six months, but the committee has suggested that one month should be added to the present leave period, to be taken before the expected birth. The committee has also suggested an independent right to leave for the father. A parliamentary bill which includes these changes will be introduced shortly.

72. A new Act on the rights of adoptive parents and adopted children came into force in Iceland on 19 December 1995. The Act includes changes in maternity law, the Social Security Act and rules for certain Icelandic pension funds. The changes ensure that the rights of the adoptive parents and adopted children are similar to the rights of other parents and children in Iceland.

The situation of children

73. When the Children's Act and the Protection of Children and Young Persons Act were revised, great emphasis was placed on bringing them into line with the points of view expressed in the international human rights conventions to which Iceland is a party, in particular the Convention on the Rights of the Child.

74. The Children's Act. The Children's Act, No. 20 of 1991, came into force on 1 July 1992, replacing an older Children's Act of 1981. Among the principal changes introduced in the new Act for the aforementioned purpose, the following may be mentioned.

75. The terms "legitimate" and "illegitimate", which were in the old Act, were dropped. The new Act addresses the legal status of children in general, without reference to these basic concepts. The provisions regarding paternity and the establishment of the paternity of a child, and those provisions which were based on this difference in the older Act, are now worded without being based on these terms. In fact, the children of cohabiting couples were granted the same legal status as those of married parents in the old Act.

76. Statutory provision was made for the first time in the new Children's Act for parents being able to agree on joint custody in the event of divorce or the separation of a cohabiting couple. Unmarried parents who do not live together are also entitled to agree on joint custody.

77. Various amendments were made to the rules of the older Act on procedure in cases involving custody. One of these was that it was set in a statute for the first time that a child who has reached the age of 12 is to be given the opportunity to express his or her opinion regarding custody, and that the question should be discussed with younger children, taking into account their age and maturity. It is emphasized that care should be exercised when investigating the child's point of view, and that consideration towards the child should be of prime concern. The statute also establishes a legal authorization for appointing a spokesman for a child, at the State's expense, in connection with the resolution of custody disputes.

78. One change in the new Children's Act is the principle that the courts are to deliver rulings to resolve disputes between parents over the custody of a child except where the parties agree to seek the ruling of the Ministry of Justice in a custody dispute. Parents are now in all cases able to present a request to the courts for a modification of the custody arrangement, while under the old Act, they did not have access to the courts if they had previously taken the option of having the Ministry of Justice make a ruling in a custody dispute. The old arrangement was criticized, and in one case it was examined in an appeal made from Iceland to the European Commission on Human Rights.

79. Various modifications were made to the provisions concerning decisions on rights of access between children and parents. The main change is that rulings in cases of dispute over access are now delivered by the magistrates, but the parties to the case may appeal against a magistrate's ruling to the Ministry of Justice. Under the old system, rulings on right of access were made solely by the Ministry of Justice. The view was taken that having two administrative levels deal with these cases would lead to greater security under the law. The intention is that rulings by the Ministry will be aimed at establishing uniform practice in matters concerning access.

80. The new Children's Act codified rules on official procedure and rulings in cases referred to the authorities under the Act. Before the Act came into force, these rules were unclear, though they had evolved in the course of administration and were in fact observed in the Ministry of Justice in the handling of cases under the old Act. In the new Children's Act and Regulation No. 231 of 1992, on Administrative Procedures in Cases under the Children's Act, special provision is made regarding jurisdiction, obligations regarding guidance, out-of-court settlements, claims and the gathering of evidence, the right of parties to examine evidence and to express an opinion on a case, and also the form and contents of rulings. Rules are also codified on appeals against those rulings by a magistrate against which appeals may be made to the Ministry of Justice.

81. The new Protection of Children and Young Persons Act. The new Protection of Children and Young Persons Act, No. 58 of 1992, came into force on 1 January 1993, replacing the older Protection of Children and Young Persons Act of 1966. Various changes in the new Act were aimed at improving the legal status of children. Amongst the main innovations in the new Act, the following may be mentioned.

82. The overall supervision of child welfare was transferred from the Ministry of Education to the Ministry of Social Affairs. This was done in the light of the fact that the Ministry of Social Affairs carries out general supervision of the work of the local authorities and of various projects which they implement, including social affairs. Child welfare work is connected in various ways with the social services provided by the local authorities, and so it seemed that the Ministry of Social Affairs, as the executive authority, was in a far better position than the Child Welfare Council to carry out effective monitoring of the work of the child welfare committees and the duties of the local authorities, and to take action if these parties did not fulfil their duties according to law.

83. The functions of the Child Welfare Council were changed: it no longer has the dual task, which it had under the old Act, of giving the child welfare committees advice in connection with the resolution of individual cases and giving final rulings in the same cases. Detailed rules on procedure were set by the issue of the Regulations on the Working Procedures of the Icelandic Child Welfare Council, No. 49 of 1994.

84. Clearer provisions were enacted regarding the obligations of the child welfare authorities towards children and young persons. The new Act specifies the obligations of the authorities towards children who become involved in offences, and towards the victims of offences.

85. Far more detailed rules were enacted concerning the placement of children in foster homes and the legal status of children in foster homes, the foster parents and the natural parents.

86. New provisions are made regarding the authorization of the child welfare committees to enter private homes in order to check on children, their home conditions and other circumstances. Under the Act, inspection visits may only be made to private homes if the parents or guardians give their approval, or on the basis of a court order, except in emergency cases. If the approval of parents or guardians has not been granted, and the case is not an emergency case, a judge must be contacted and must issue a special permit to enter the home.

87. In the old Act, provisions on procedure in child welfare cases were scattered among various articles. In the new Act, a special section deals with working methods and the handling of child welfare cases, and it sets out far clearer rules than those which applied previously.

88. The legal status of children and young persons in child welfare cases is defined more clearly than before, the aim being to increase the protection they enjoy under the law. For example, the Act states that children shall generally have the right to express their point of view on their cases, and this is obligatory where the child has reached the age of 12. Under special circumstances, the child welfare committee may also appoint a special spokesman for a child or young person.

89. As regards legislative changes other than those discussed above in connection with the statutes dealing with children, mention should be made of the great reforms that have been enacted through the first codification of general rules on the handling of cases at the administrative level, i.e. the Administrative Procedure Act, No. 37 of 1993, which came into force on 1 January 1994. The Act covers all administration by the State and the local authorities except in cases where separate statutes contain stricter rules on procedure. The Act is intended to apply when the authorities take decisions on the rights and obligations of individuals or legal persons. The main aim of enacting the Administrative Procedure Act was to guarantee people the maximum security under the law when decisions of this type are taken in their dealings with the State. Therefore, the Act codified rules on procedure in government administration, i.e. rules on both form and content regarding the preparation of cases and their resolution, including the right of the individual to observe the handling of the case by the authorities, to

express his point of view and to protest. These rules were not codified previously, though they were applied as fundamental rules within the executive.

90. The Children's Ombudsman. In 1994 the Althing passed the Children's Ombudsman Act, No. 83 of 1994. Models for the position are to be found in Norway and Sweden. It is aimed at improving the position of children in society, and it is planned that the Ombudsman will defend their interests and rights, the term "children" here referring to individuals under the age of 18. Under the Act, the President of Iceland is to appoint a Children's Ombudsman for terms of five years, acting on the recommendation of the Prime Minister. The Children's Ombudsman shall have completed a university degree, and if he has not taken the qualifying examination in Law, then a lawyer shall be employed in his office.

91. The task of the Ombudsman is to strive to have administrative officials, individuals, societies and associations of individuals take full account of the rights, needs and interests of children. In his work, he is to make recommendations and proposals on reforms regarding the interests of children in all areas of society. In particular, the Children's Ombudsman is to:

(a) Initiate discussion in society on children's affairs, aimed at determining policy;

(b) Put forward recommendations on the reform of legal provisions and instructions given by administrative officers which specifically concern children;

(c) Encourage compliance with the international agreements ratified by Iceland which concern the rights and welfare of children;

(d) Take the available measures if he considers that administrative officers, individuals, societies and associations of individuals have acted against the rights, needs and interests of children in society, by delivering a statement, backed by arguments, to the party concerned, together with recommendations on remedial action, where appropriate;

(e) Use his influence to publicize legislation and other legal rules concerning children and young people, and to promote studies in this area.

92. The Children's Ombudsman can investigate cases either on his own initiative or when they are brought to his attention. He does not handle disputes between individuals, but is obliged to give guidance to anyone approaching him with such cases regarding the mechanisms which exist, both within the executive and the judiciary. The office of the Children's Ombudsman is intended to be independent of the control of the executive, although the Ombudsman is required to give an annual report to the Prime Minister on his activities during the previous calendar year.

93. The Ombudsman's office has now been operating for two years. The Ombudsman has already been dealing with a great variety of tasks, and at the same time organizing the function of the office and publishing and distributing information about the office to make its existence widely known.

The Ombudsman has published two versions of leaflets about the office, one for adults and one for children. These leaflets have been distributed to all primary and nursery schools, health centres, special children's divisions in hospitals, ministries, district magistrates offices, police authorities and municipalities. The Ombudsman has visited 4,000 children in 34 primary schools in 2 school districts of the country and intends to visit some other school districts next year. In connection with these visits the Ombudsman has met the representatives of the local authorities in 33 municipalities and members of child welfare committees.

94. There is no formal complaint procedure, since it is not the role of the Ombudsman to deal with individual cases. However, she has been able to advise children in some instances which have been brought to her attention where there is a need for the improvement of children's rights, and she has initiated special recommendations to the authorities. The Children's Ombudsman is now preparing the publication of a book containing a comprehensive overview of the status of children in Icelandic society and statistical information on various aspects of children's issues.

95. At the same time, the Children's Ombudsman has initiated discussion in the society on various children's affairs and put forward recommendations on necessary reforms of legal provisions and instructions given by administrative officers, which specifically concern children. The opinions and recommendations of the Ombudsman have led to a growing public debate on children's issues. It should be emphasized that in this debate, the Ombudsman frequently refers to the provisions of the Convention on the Rights of the Child and other human rights conventions.

96. The Ombudsman has challenged all local authorities to establish a policy of placing priority on children's rights in the budget and to undertake measures for the interests of children to the maximum extent of their available resources. She has recommended to some municipalities that children be given the opportunity to influence the decisions made by the local authorities and, for that purpose, a special consultation system in which children take part should be established. Finally the Children's Ombudsman has given her opinion and recommendations on bills which have been introduced in the Althing concerning various interests of children.

97. In 1996, the Children's Ombudsman emphasized the following subjects:

(a) The procedure in child welfare cases;

(b) Children and the legal system, particularly the handling of cases involving offences by young persons, children as witnesses and conditions where young persons are serving prison sentences;

(c) Safety of children, particularly the prevention of accidents;

(d) School affairs, in particular the rights of handicapped children in school.

98. Chronically-ill children and their families. A committee founded by the Ministry of Health and Social Security to focus on general conditions

concerning chronically ill children and their families has made a report to the Minister. The Ministry has since worked on several matters pointed out by the committee, with one of the results being a change in the rules on "care benefits" for families of chronically ill children. The State Social Security services for these groups have also been improved, and a social worker has been hired to guide them.

99. Act relating to Nursery Schools, No. 48 of 1991. In spring 1991 the first Icelandic legislation on nursery schools took effect. Under the Act, play schools are intended for children from the time that the mother's maternity leave ends (i.e. at the age of six months at present) until the age of six years. The objects of the Act are, inter alia: (a) to provide children with quality care and sound conditions for development; (b) to give children the opportunity of enjoying the variety of developmental stimuli offered by a group of children; (c) to strive, in collaboration with the home, to encourage the all-round development of the child; and (d) to promote tolerance and breadth of viewpoint on the part of children and to give children equal opportunities in all aspects of their development.

100. Institutions and homes for youth. The following began operations in 1991-1992:

(a) **Treatment home for young drug users.** At the beginning of 1991 Iceland's first treatment home for young drug users aged 14-18 years was opened. The home is intended for young people from all over the country, and is financed by the Treasury. The philosophy is based on that of the AA (Alcoholics Anonymous) association, residence being assumed to last about 8 weeks and follow-up treatment of 18 weeks. In addition, the families of the young people are offered family therapy. From the beginning of next year, the home will be administered by the Ministry of Social Affairs;

(b) **Home for homeless children.** The operation of Iceland's first home for homeless children started during the summer of 1993. The home was set up by the association Barnaheill ("Icelandic Save the Children") and the Ministry of Social Affairs, and it is for children aged 6-12 years. The homeless children in this group have no secure home. Their families are unstable and the children have long histories of being moved between institutions and temporary homes. It is envisaged that each child will stay in the home for at least two years. After this period they will either return to their parents or be placed in permanent adoption with foster-parents;

(c) **Home for children who pose a danger to themselves and others.** Iceland's first home for children who need a great deal of care and supervision opened in the summer of 1992. These children pose a danger to themselves and others, and up to now there has been no prospect of a solution to the problems of this small group. The establishment of the home makes it possible to provide them with the conditions for the most normal life possible for them. The home is administered by the Ministry of Social Affairs.

101. Children and work. The employment of children and young persons is governed by chapter X of the Law Concerning Working Environment, Health and Safety in the Workplace No. 86/1980 with later amendments. In the legislation a child is an individual of less than 16 years of age. A young person is an

individual of 16 to 17 years of age. According to article 60 of the Act children younger than 14 years of age must not be employed for other than easy and danger-free work. Children 14 and 15 years of age, as well as younger children, must not work on dangerous machinery or under dangerous conditions. The Board of The Administration of Occupational Safety and Health has issued guiding instructions about the definitions of easy and danger-free work, dangerous machinery and dangerous conditions.

102. The working time of children who are 14 and 15 years of age shall not exceed the working time of adults who work in the same field. Young persons must not work for more than 10 hours a day. Working time shall be continuous and only interrupted for reasonable lunch, coffee and rest periods (art. 61). Young persons who are 16 and 17 years of age shall have at least 12 hours of rest per day. The rest period shall, in general, be during the period from 1900 to 0700 hours.

103. Non-compliance with the law and regulations that are issued are punishable by fines, unless heavier punishment is applicable through other legislation.

104. In October 1996 the Minister of Social Affairs introduced a bill to the Parliament in order to amend chapter X of the Law Concerning Working Environment Health and Safety in the Workplace No. 46 of 1980. The aim is to implement the Directive of the European Union on the protection of young people at work No. 94/33/EC. The Directive applies to employees under 18 years of age. It sets restrictions on the number of hours that can be worked and on night work; gives specific entitlement to minimum rest breaks and daily and weekly rest periods; requires risk evaluation and prohibits work in certain activities and in some circumstances requires health assessments. It is expected that the bill will be adopted during the winter 1996/97.

Article 11

Housing policy

105. As stated in the Government's first report, comprehensive housing policy was first formulated after the Second World War. Until then only a few, and limited, public measures had been taken to provide housing. At the beginning of this century there was a severe housing problem in Iceland. Housing was inadequate and most of the existing dwellings were of a poor standard. Because of this and a rise in rent during the war in 1914-1918, interim legislation on rent in Reykjavik was adopted in 1917.

106. Social housing projects can be traced back to 1919 when the Joint Organization of the Trade Unions in Reykjavik encouraged the establishment of a building society to build rental flats. The Workers' Building Society Act entered into force in 1929. Building societies were established in many areas on the basis of that Act. Since 1939, housing issues have been administered by the Minister of Social Affairs. The Government in power at the end of the war endeavoured to formulate a new comprehensive employment policy which entailed an extensive housing policy. This was set out in new comprehensive legislation adopted in 1946. However, difficulties in importing

building materials due to lack of foreign currency, together with other economic difficulties, delayed the implementation of such a policy.

The State Housing Board

107. The founding of the State Housing Board and the State Housing Agency in the mid-1950s marked the beginning of comprehensive administrative actions on housing policy. From the beginning, post-war housing policy was characterized by a strong emphasis on self-help and measures to enable young families to participate in the building of their own houses. Successive Governments cooperated extensively with the trade unions on housing policy. One of the clearest examples of this was the extensive development of 1,250 workers' dwellings in the 1960s. Since then, housing measures have time and again been part of the solutions of labour disputes. This happened last in 1986, when the two main organizations of the social partners, in conjunction with the Government, initiated an overall restructuring of the general housing system. At the end of the 1980s, the authorities gave priority to the building of social housing which constituted 40 per cent of all newly built housing in the country in the beginning of the 1990s. At the same time, the Government made efforts to increase the diversity of social housing and to balance the types of home ownership.

108. The single most important factor in building up housing mortgage financing in Iceland has been the development of the pension fund system. Since about 1970, most occupational groups have had access to a pension fund. After only a few years' membership, most young wage-earners were able to obtain a housing loan from their pension fund, with a 20- to 25-year maturity period. In 1986, 55 per cent of the pension funds' disposable capital was channelled through two State-run building funds, with the State lengthening the maturity period of the loans and subsidizing the interest. With the advent of the 1986 reform, Icelanders were for the first time able to obtain comprehensive mortgage financing of their new dwellings.

109. The most important change was that loans from the State Housing Agency more than doubled and the maturity period was extended to 40 years. The old housing loan system was abolished in 1989 and at the same time the housing bonds system was introduced.

The housing bonds system

110. A market-oriented housing bonds system was introduced in November 1989, its purpose being to change the financing of the general housing loan system. Prior to this change the State Housing Agency loaned directly to buyers at fixed interest rates, financing its activities by borrowing domestically and internationally. This amounted to a subsidy. Under the new system the State Housing Agency issues Government-backed bonds and acts as a broker between the buyer and seller. The bonds carry market interest, but the State guarantee is equivalent to a subsidy. At the same time, income-related interest rebate benefits were introduced. The mortgage can be as high as 70 per cent of the value of the property. The seller receives the housing bonds and can use them for his next property purchase, keep them as savings or sell them on the market.

111. When the State Housing Board and the State Housing Agency were established, their loans were equal to less than 1 per cent of GNP; in the past few years they reached a maximum of 6.3 per cent of GNP, being 4.5 per cent in 1994. Loans made by the State Housing Agency last year were approximately equal to the total loans made by the Agency in its first 14 years of operation.

Present policy

112. The purpose of Icelandic housing legislation is to direct lending towards housing and to organize housing and building activity so as to bring about security in the provision of housing for all citizens. The aim is, moreover, to increase equality in housing in such a way that financial resources are utilized to increase people's chances of either owning or renting a dwelling at a reasonable price.

113. In broad terms, the present Government, which came into power in April 1995, follows the housing policy implemented in the past decades in Iceland. However, certain aspects are constantly under review. For example, the Government aims to increase the participation of the general banking system in housing loans. This is not least linked to the fact that the banking system in Iceland has been growing stronger in the past 10-15 years after fairly limited development in the post-war period, which was above all characterized by a high rate of inflation.

114. It is the aim of the Government to transfer the general part of the housing loan system to the banking system. Changes regarding increased efficiency and flexibility in regard to the social part of the housing loan system are also being developed and prepared.

Self-building tradition

115. Great encouragement was given to the self-building tradition in 1949 by a law granting tax exemption to people working on their own dwellings. It was publicly appraised in 1952 by the Smaller Dwellings Loan Department Act, which took account of the self-building tradition. Those who wanted to build small houses and intended to build them entirely or to a large extent themselves with the help of their families had access to loans there. Designs and instructions on construction were obtainable at a reasonable price.

116. Throughout the post-war period it has been very common for people to work extensively on their own house-building project. Often the whole family finds time after regular working hours and during weekends and holidays to work on the new house. Members of the extended family also gave assistance, and especially in smaller communities, the self-building tradition has to some extent functioned on a communal basis. The self-building tradition has remained strong in Iceland, though its has probably weakened somewhat after 1986, when there was a very significant increase in the organized official mortgage lending-schemes.

The building cooperatives

117. A special House Building Cooperatives Act dates from 1932. These building co-ops are geared towards owner occupation, whereby a group of people gather to build flats or houses which they afterwards own individually.

118. The first building cooperative in Iceland, founded in 1932, worked on a general open-to-all basis in Reykjavik, but it has also been very common in Iceland for building cooperatives to operate within occupational sectors. They were most active in the 1970s and early 1980s, and played an important role in providing thousands of young families with affordable housing and contributed in a positive way to the promotion of self-help and communal spirit. After 1985, with the advent of expanding State financing available for young families in the process of acquiring their first dwelling, their role has diminished. The cooperative tradition has, however, been kept going by housing cooperatives based on permanent tenant-ownership along Scandinavian lines.

Social housing measures

119. The main purpose of social housing measures is to provide low-income people and others who need special assistance with adequate housing. The right to social housing is based on income and social circumstances.

120. The State Housing Board grants loans to local authorities and NGOs for the building and operating of social housing. Loans are granted for up to 90 per cent of the building costs and the maturity of the loans is 43 years for owner-occupied dwellings and 50 years for rental dwellings. In the past few years the building of social housing has increased dramatically. Social housing now constitutes approximately 10 per cent of dwellings in Iceland. Most social housing is built by local authorities and sold to individuals, with the obligation to buy back the dwellings from owners who need or want to sell during the first 10 years after they were built. Leasing housing is also a part of the Icelandic social housing system.

121. Individuals who are allocated social housing can choose whether to rent the dwellings, make a leasing contract or buy the dwellings. The State Housing Agency obtained permission to finance the building of rental flats by the Iceland Federation of the Handicapped in 1965. Later, the permission was extended and applied also to the elderly and other disabled persons' organizations. On this basis, legal authorization and subsequent authorizations for around 100 dwellings have been completed with the support of the institutions concerned. Cooperation with organizations of the elderly and the disabled has been good and it is of course their initiative that has resulted in the achievements seen today. The housing situation of students has been reformed in recent years, e.g. by the Icelandic Student Services, the Apprentices' Union of Iceland and other student unions. The State Housing Agency has been very much involved and given its support by granting them loans for 90 per cent of the building cost of their rental flats. Building cooperatives and many types of associations, e.g. the new house cooperatives, have also built flats for their members.

Group homes

122. The present Disabled Persons Act entered into force on 1 September 1992. The objective is to ensure disabled persons equality and to provide them with conditions that enable them to lead a normal life.

123. Group homes are homes for handicapped individuals in ordinary neighbourhoods in blocks of flats, terraced houses and detached houses or other dwellings. Group homes are operated for disabled individuals who cannot provide for themselves and need considerable aid. On average there are five to six inhabitants in each home and the homes are as close to being ordinary homes as possible.

124. The objective of group homes is, for example, to enhance the skills and independence of the inhabitants so as to make them as self-sufficient and independent as possible. To achieve this objective the inhabitants are taught and trained to the exte necessary and are included as much as possible in everything concerning t household. The inhabitants can go to school, day care or work outside th home. Group homes are run by the regional offices or disabled persons' associations which have obtained operating licences.

125. The starting cost is paid by the Disabled Persons' Investment Fund. Employees' wages are paid by the State, the number of employees depending on the nature of the individuals' disabilities. In group homes with multi-handicapped people there is staff 24 hours a day.

126. Other running costs are paid by the inhabitants of the group home so that they contribute to a special home fund a common contribution of a maximum of 75 per cent of their total invalidity pensions and income insurance or the equivalent. The home fund pays their common expenditure, such as food, electricity, heat, public levies, phone bills and media. The fund also pays minor repairs on household appliances and furniture and the house. The manager of the regional office or his representative is responsible for guarding personal assets of the inhabitants and running the home fund.

127. There are over 60 group homes in Iceland, with nearly 300 disabled inhabitants.

Housing situation

128. The average age of dwellings in Iceland is one of the lowest in Europe. Only 4 per cent of the total stock consists of houses built before 1918 and more than 40 per cent has been built since 1970. Generally speaking, dwellings in Iceland are spacious and well equipped and Icelandic housing standards rank high, measured by all customary housing indicators. As early as 1970, 99 per cent of all dwellings had piped water, 97 per cent central heating, 94 per cent toilets, almost 80 per cent bathrooms, and 96 per cent had an electric or gas stove.

129. In recent decades, geothermal energy has replaced imported oil for space heating, and now approximately 85 per cent of all households are heated with geothermal energy. The remaining 15 per cent of the space heating market is covered by electrical (12 per cent) and oil (3 per cent) heating. Oil imports

(fuels and lubricants) accounted for 7 per cent of the total value of merchandize imports in 1995, as compared with 19.3 per cent in 1979. The average size of dwellings completed in the past 40 years has fluctuated considerably, but in the past 20 years new dwellings have, on the average, been considerably larger than those registered for the housing stock as a whole. In 1995 the average size of dwelling units was about 130 m^2 and medial usable living space per person was approximately 50 m^2.

Construction in Iceland 1900-1990

130. In the first half of this century, construction work was relatively slow and could hardly keep up with the population increase. There were exceptions from this in Reykjavik where there was a great deal of construction work in the first and third decades of the century. During the latter years of the Second World War and the first few years of the post-war period, there was much construction everywhere in the country, but mainly in Reykjavik and neighbouring areas. As a whole, the post-war period was a period of dynamic construction work in Iceland, and the boom peaked in the 1970s. As in most countries, the share of multi-family buildings in the total housing stock has increased greatly in recent years.

131. Thus, to take Reykjavik as an example, in 1994 only 20 per cent of all dwellings were one-family houses (i.e. detached and semi-detached houses), while 80 per cent of all houses contained two dwellings or more. Of the dwellings in multi-family buildings in 1994, about 43 per cent were in buildings with 2-5 flats and 57 per cent were situated in larger buildings. The average number of inhabitants per dwelling has fallen from about 5.3 in 1940 to about 2.7 in 1995. The largest decline occurred in the period 1970 to 1980.

Housing tenure

132. Iceland belongs firmly to a cluster of countries where the transfer from private rental housing, which dominated the first stages of urbanization, has in recent decades taken the form of an ever-more-widespread home ownership. This transformation took only about three decades, from 1940 to 1970.

133. Due to the availability of statistics, the figures only show the development in Reykjavik, but the pattern for Iceland as a whole was basically similar, albeit with home ownership reaching a somewhat higher proportion (5 per cent) for the country as a whole. The ratio of a median free-market price of a dwelling unit and the median annual household income is now 2.73. It is noteworthy that the expansion of home ownership took place together with a large population increase. Thus, at the same time as the rate of home ownership rose from 40 per cent to over 80 per cent, the population increased by 68 per cent. In Reykjavik there were about six times as many owner-occupied dwellings in 1970 as in 1940. Recently, there are indicators pointing to a slight drop in the home-ownership rate, probably best perceptible in the younger age groups.

134. Housing tenure in Iceland is clearly strongly age-related. Comparisons with the other Nordic countries indicate clearly that young people in Iceland

stay at home much longer than young people in Scandinavia. This is probably partly an expression of the low supply of rental housing, but also in some respect a result of strong family ties and spacious dwellings.

135. Owner occupation seems fairly well established in all occupational groups in Iceland. Renting is, in fact, somewhat surprisingly, relatively most frequent among the middle strata and academics.

136. For further information reference is made to Iceland's national report to the United Nations Conference on Human Settlements - Habitat II (Istanbul, 3-14 June 1996).

Article 12

Patients' rights

137. The Minister of Health has presented a parliamentary bill on patients' rights which includes basic rules based on the principles of the Rights of Patients in Europe (a declaration on the promotion of patients' rights in Europe). The bill was not approved, but the Minister will reintroduce it in December, and the assumption is that it will come into force next year.

Communicable diseases

138. The Minister of Health has also introduced a new parliamentary bill on the prevention of communicable diseases which includes new rules in this field and provisions for the establishment of a post for a special doctor of communicable diseases by the General Medical Officer.

Tobacco

139. A new Tobacco Act came into force on 1 July 1996. The main aim of the new rules is to reduce smoking among young people.

Health promotion

140. Since January 1994, the Ministry and the General Medical Officer have worked on a programme of health promotion. The action programme is being conducted on both a national and a regional level and includes four villages in each part of the country. The aim of the programme is to improve public lifestyle.

In-vitro fertilization

141. In 1996 the activities of in-vitro fertilization in Iceland were improved by adding new methods and reducing waiting lists.

142. In addition to the things mentioned above, many other measures have been taken. The Ministry has worked on improving the services of health centres throughout the country and, in collaboration with doctors, has prepared an action plan in that field.

Articles 13 and 14

Free compulsory education available to all

143. The new Act on Compulsory Education No. 66/1995 was adopted by the Althing in 1995. The main changes from the previous Act on Compulsory Education are that from 1 August 1996 the local authorities bear the sole responsibility for the provision of schooling for children between the ages of 6 and 16. The same also applies to all expenses arising out of needs for housing and transportation between home and school. The new Act entitles students who require special education because of learning problems, psychological or social difficulties and/or a handicap to remedial teaching (arts. 37 and 38, Part VII). Besides this law there are regulations on special education (No. 389/1996), as well as Law No. 78/1994 on pre-schools and Law No. 59/1992 on matters concerning the handicapped.

Availability and accessibility of secondary education

144. New Act No. 80/1996 on upper secondary schools (intermediate schools) was passed by the Althing in 1996 and came into force on 1 August 1996. The main aim of the new law is to better adjust the upper secondary school to pupils' needs so as to lessen drop-outs; vocational training is strengthened and so are the ties with the world of work.

145. Everyone who has completed compulsory education or is aged 18 is entitled to attend upper secondary school (art. 15, Part VI). However, the new law stipulates that to be able to enter a specific line of study the student has to meet minimum requirements when finishing compulsory schooling. Students that do not meet minimum requirements are offered preparatory courses.

146. The purpose of the upper secondary school is, according to the new law, to endeavour to prepare students for effective participation in a democratic society by fostering general maturity and to prepare students for participation in the world of work and for further studies. The upper secondary school shall also endeavour to foster in students a sense of responsibility, far-sightedness, initiative, self-confidence and tolerance, train them in applying self-discipline, to be independent in their work and to inspire the students to apply critical thought, enjoy culture and encourage their constant search for knowledge.

147. Handicapped students usually attend general classes with other students, but have the right to receive special support and instruction as appropriate (art. 19, Part VII).

Basic education for drop-outs

148. The new Act on Compulsory Education No. 66/1995, Part VII, now governs this area, but the provisions are unchanged from the former law. As mentioned above, the law now governing the upper secondary school is No. 80/1996.

149. The committee on tele-teaching (via radio, television and computer) presented its ideas to the Ministry several years ago, and there has been great progress within this field, especially in open and distance learning via computer.

Obstacles to education; goals and benchmarks to overcome them

150. The new Act on Compulsory Education does not change the ratio between special education and the mainline education, i.e. 20 per cent, although all the costs are now paid by the municipalities.

151. Some compulsory schools still run double shifts (morning and afternoon) to accommodate all students. In accordance with the new Law on Compulsory Education No. 66/1995 all primary schools have to establish a single shift before 1 August 2002.

152. University-level instruction has, since the last years of the 1980s, been available at a small university in the north and there is also university-level instruction in several other places outside Reykjavik. In Reykjavik there are eight schools offering higher education, both general and in specialities such as teacher-training and the arts.

Statistics on education

153. Surveys of literacy performed in Iceland in the last few years show that illiteracy is almost non-existent, and remedial measures are being taken so as to be able to reach the goal of the United Nations campaign to ensure literacy for all by the year 2000. Students with special reading difficulties are entitled to special remedial instruction in accordance with Law No. 66/1995 on Compulsory Education and the Regulations on Special Education, No. 389/1996.

154. In 1995 about 18,000 students attended upper secondary schools, approximately 85 per cent of those completing compulsory education.

155. In 1995 approximately 35 per cent of the adult population in Iceland attended courses in adult education. Half of these courses were job related. About 2,500 adults attend evening classes for upper secondary schooling.

Government appropriations for education

156. The Act on Compulsory Education gives the municipal authorities the sole responsibility of financing the running of schools for children from 6 to 16 years of age. The school appropriations for upper secondary schools, higher education and student loans are approximately 8.6 per cent of the national budget. Before the change the total school appropriations were approximately 15 per cent of the budget. To enable the municipal authorities to meet the increased cost imposed on them by the new law some sources of income were transferred from the State to the municipalities.

157. The new law cancelled the old order under which the country was split into eight school districts. Now each municipality decides, according to size, how many school districts there are within each municipality. There are 170 municipalities in Iceland.

158. All children of pre-school age should be able to attend pre-school, if their parents request, but current pre-school facilities do not meet the demand, although the situation is gradually improving.

159. In 1995 there were 208 compulsory schools in Iceland with 42,000 students. There were 65 upper secondary schools with 18,000 students.

160. It is now possible to attend doctoral courses in a very limited number of subjects at the University of Iceland.

161. The construction of compulsory school buildings is financed by the municipal authorities, but the State finances upper secondary school buildings (60 per cent) in conjunction with the municipalities (40 per cent). Many municipalities have built new compulsory schools or added on to old ones in the last few years to facilitate single sittings. One upper secondary school is now being built in Reykjavik and many other school buildings have been improved.

162. In 1995 grades 1-4 were provided with 26 hours of instruction per week, grades 5-7 with respectively 29, 31 and 33 hours and grades 8-10 with 34 hours. According to Law No. 66/1995 the aim is that in 1999 grades 1-4 will receive instruction for 30 hours weekly, grades 5-7, 35 hours and grades 8-10, 37 hours. The curriculum for the compulsory school is the responsibility of the Ministry of Education, Science and Culture. Following the adoption of the new Law No. 66/1995, the current curriculum, dating from 1989, will be revised. The new curriculum is to take effect in 1998.

163. As a result of the new Law No. 80/1996 on upper secondary education a new curriculum is under preparation and will be developed in close conjunction with the curriculum for the compulsory school to secure harmony between the two school stages. The new curricula for the upper secondary school is also expected to take effect in 1998.

Equal access to education in practice

164. According to article 1 of Act No. 66/1995 on compulsory schools all children have the right to attend school. According to article 15 of Act No. 80/1996 on upper secondary schools all students who fulfil the entrance requirements have the right to begin studies at an upper secondary school.

Vulnerable and disadvantaged groups

165. Compulsory education is free and a student's personal finances should not have effect on his attending compulsory school, although article 9 of Act No. 55/1974 no longer applies.

166. Articles 37 and 38 of Act No. 66/1995 on compulsory school and article 19 of Act No. 80/1996 on upper secondary school require that education and appropriate training be provided to handicapped students (see discussion above).

167. According to article 36 of Act No. 66/1995 children who do not speak Icelandic as their mother tongue are entitled to special courses in Icelandic. Special education is now provided for all these children.

Linguistic facilities

168. In the last few years the University of Iceland has offered a limited number of classes in English to make studying easier for foreign students, especially those taking part in organized student exchange programmes.

Conditions for teaching staff

169. Due to increased unemployment there is less difference between salaries of public employees and those in the private job market. Working conditions in schools are still improving especially as computers are now widely available in Icelandic schools.

170. The Icelandic University College of Education for several years offered courses in special education for teachers by distance learning methods. These courses have been discontinued as there is no longer a shortage of teachers in special education.

171. As mentioned earlier, there is now a programme to abolish the double shift. The supply of teaching materials has improved in the last few years.

Non-Government schools

172. As mentioned above, the Government, i.e. the Ministry of Education, Science and Culture, in accordance with Act No. 66/1995, no longer pays towards the running of the compulsory schools. It is expected that the few compulsory schools that have been run by private parties and received substantial support from the Government will now receive equal support from the municipal authorities.

173. The private schools at the upper secondary and higher education levels will continue to get support from the Government.

Article 15

Legislative and other State measures

174. Funds for cultural development. The National Library was merged with the library of the University of Iceland in accordance with Act No. 71/1994. The role of the Cultural Fund was changed by Act No. 79/1993. According to the new Act the Fund only gives publishing grants. The Icelandic Science Foundation was abolished by Act No. 61/1994 establishing the Icelandic Research Council, which has taken over the function of the former and gives research grants to private individuals in the fields of history of art, literature and culture, as well as in other fields.

175. Institutional infrastructure. The C-festivals discussed in the initial report are no longer held.

Benefits of scientific progress and its applications

176. The National Research Council and the National Science Council were merged by Act No. 61/1994 and the functions they held are now performed, in accordance with the new law, by the Icelandic Research Council.

Legal, administrative and judicial systems

177. The Icelandic Research Council is organized in the same way as its predecessors.

178. Iceland is a party to the Agreement on the European Economic Area (EEA) which entered into force on 1 January 1994. The other parties to the Agreement are the countries of the European Union, Liechtenstein and Norway. Under the EEA Agreement Icelandic scientists have the right to participate fully and equally in the EU programmes on research and technological development. There are also EU programmes on culture and education that have been opened up to Icelanders by the EEA Agreement.

Government encouragement of international contacts and cooperation

179. Utilization of facilities. From the entering into force of the EEA Agreement Icelandic international cooperation in the field of research and technological development, culture and education has entered a new area. The EEA Agreement annulled the Framework Agreement between Iceland and the European Economic Community of 30 October 1989 for Scientific and Technical Cooperation.

180. Participation by scientists, artists, writers and others. Travel grants are made from the Icelandic Research Council and the Ministry of Education, Science and Culture.

Role of international assistance

181. Icelandic participation in international cooperation projects has increased dramatically since the entry into force of the EEA. It is too early to estimate whether the amount Iceland pays to the EU as an entrance fee will be lower than the grants received by Icelandic scientists and firms through the cooperation. Although the financial side of the cooperation is important, the easy access offered to scientists, research institutions and firms to cooperation with their counterparts in Europe, facilitated by the EEA Agreement, is of even greater value.